

**STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS  
DIVISION OF PUBLIC UTILITIES AND CARRIERS  
100 ORANGE STREET  
PROVIDENCE, RHODE ISLAND 02903**

IN RE:        Island Hi-Speed Ferry, LLC        :  
              Petition to Allow Free Ferry        :        Docket No. D-00-19  
              Service                                :

**ORDER**

Whereas, On September 20, 2000, Island Hi-Speed Ferry, LLC ("IHSF") filed a petition with the Rhode Island Division of Public Utilities and Carriers ("Division") seeking authority to provide free ferry service to passengers on October 1, 2000; and

Whereas, IHSF is currently authorized by the Division to provide ferry passenger service between the towns of Block Island and Narragansett pursuant to the authority conferred through certificate of public convenience and necessity No. W-1163; and

Whereas, IHSF states in its petition that it intends to conduct a demonstration of its high speed ferry service by offering free service to the public and to various federal, state and local governmental officials, on October 1, 2000. According to the petition, IHSF is planning the demonstration to introduce the public and the government officials to the service IHSF will be offering to the public beginning in the Spring of 2001 and to the capabilities of the type of high speed ferry vessel it intends to employ in rendering that service; and

Whereas, IHSF has agreed to absorb the losses that will result from the free services provided on October 1, 2000; and

Whereas, Rhode Island anti-discrimination laws prohibit common carriers from providing free service, IHSF seeks a temporary one-day waiver of these laws in order to offer free service on October 1, 2000 (See R.I.G.L. Sections 39-2-2, 39-2-3 and 39-2-4); and

Whereas, the Division may grant such waivers in accordance with the provisions of Rhode Island General Laws, Section 39-2-5 (2) upon a finding that the free service is "just and

reasonable, or required in the interests of the public, and not unjustly discriminatory.” Indeed, the Division has granted similar waivers for the Interstate Navigation Company, which also provides ferry services to the town of Block Island (see Order Nos. 15860 and 15929); and

Whereas, the Division finds that under the instant circumstances and based on the fact that IHSF has agreed to absorb all revenue losses associated with the free service proposal, IHSF’s proposal is just and reasonable and not unjustly discriminatory.

Accordingly, it is

(16395) ORDERED:

1. That the Island Hi-Speed Ferry, LLC’s September 20, 2000 petition is hereby granted.
2. That revenue losses associated with the free service shall be borne by IHSF and its owners.

Dated and Effective at Providence, Rhode Island on September 22, 2000.

Division of Public Utilities and Carriers

---

John Spirito, Jr.  
General Counsel

---

Thomas F. Ahern  
Administrator